



July 25, 2006

MEMORANDUM TO: Apex File

COPIES TO: distribution

FROM: Paul Glader

SUBJECT: Progress Report No. 26 for period ending June 30, 2006;
Pond 2 Final Closure - Apex Site, Washington County, Utah

Summary

The sixth visual inspection, per the long term monitoring plan, was conducted on June 17th. No unusual conditions were noted; some minor erosion maintenance will be scheduled for late summer.

The settlement monuments were surveyed on May 16th - no appreciable settlement has been noted. An analysis of the settlement surveying through April is included in this report. Settlement analysis will now take place on a quarterly basis.

The post construction site inspection with EPA and Hecla representatives was conducted May 23rd.

Major Issues

1. During the period of post closure long term monitoring, the Hecla representative will be Paul Glader, Manager of Environmental Services. Paul's contact information includes: Work Telephone - 208.769.4112, email address - pglader@hecla-mining.com.
2. The May 23rd inspection was conducted by Eric Johnson (EPA), Chris Gypton (Hecla) and Paul Glader (Hecla).
3. Surface Monitor Results To Date – Since monitoring of the top surface began (Jan 4, 2006), there has been no appreciable movement in the surface monuments at the Apex site. Significant decreases in elevation could have meant large volume changes within the impoundment due to either (1) consolidation of enclosed materials, or (2) loss of liquid through leaks in the impoundment.

There are ten monuments installed on the top surface. As shown, between installation of the monuments and the April 12, 2006 monitoring period, two monuments have not moved, four have decreased and four have increased. Any movement is slight and can be attributed to surveying accuracy limitations. MEI's "Review of Surface Monitor Data" report was included in the May report. Surveying of the monuments will now take place on a quarterly basis.

Monument	Total Elevation Change Since 1/4/06 (feet)
1	-0.02
2	0.01
3	0.00
4	0.03
5	0.03
6	-0.01
7	-0.01
8	0.00
9	-0.03
10	0.01

Work Planned for Next Period

1. Visual inspection of site.
2. Settlement monument survey – will take place quarterly basis.

Sampling and Analysis in Period

Field Tests, Inspections & QA/QC

1. The sixth site inspection was done on June 13th; a copy of the inspection report is included in the Supplemental Attachments section.

Cost and Schedule

Committed costs in June 2006 were approximately \$1,400. Total project to date committed is approximately \$1,235,000.

The cost report for June is attached. Current status of the deliverables listed in the RCRA 7003 order is as follows:

Deliverable	Reference Paragraph	Due	Remarks
Post warning signage around perimeter of site	57	15 days after effective date of order	Work completed on March 9, 2004
Begin implementation of closure plan	63	45 days after receipt of filing of order	Work started on February 23, 2004
Monthly progress reports	64	28 th day after close of month	Requirement in effect after order is filed.
Completion report	66	30 days after completion of all closure plan tasks	Construction completion report submitted on 3/13/2006. A follow-up report to be issued after end of monitoring period.

The update of the schedule milestones is on the following table:

Milestone	Target	Actual	Remarks
Issue bid package – Phase I (Sump Drains)	6/14/04	6/15/04	Portion of RFP materials issued at pre-bid on 6/14/04; remainder sent via courier
Issue RFP package – Phase III	6/24/04	6/24/04	
Award contract for Phase I	6/24/04	6/29/04	Date contract was shipped to Hughes
Pre-bid meeting – Phase III	7/19/04	7/19/04	
Start Phase I (Sump Drains) construction	7/12/04	7/19/04	
Start Phase II (Evaporation)	7/19/04	7/29/04	
Receive bids for Phase III	8/2/04	8/2/04	
Re-bid Phase III contract package	April 2005	4/27/05	Date bid package was sent to Hughes
Start Phase III construction	End of August 2005	8/29/05	Start of contractor mobilization
Complete Phase III construction	Dec 23rd 2005	12/23/05	Completion of contract scope of work
Issue Construction Completion Report	Week of 3/13/2006	3/13/06	

Supplemental Attachments

1. June 17, 2006 long term monitoring inspection report, by D. Truman.
2. June Cost Report

Annual Site Inspection Summary Sheet - Apex Site - Pond 2

Hecla Mining Company - Long-Term Maintenance and Monitoring Plan

Form 1 of 4 - Summary

Date: <u>6-17-06</u>			
Inspector: <u>D. T.</u>			
Cover System Component	Potential Problem	Allowable Limits	Limits Potentially Exceeded
Site Perimeter	Erosion or Fencing Issues	NA	NA
Cover System (outslopes, top, rock)	Subsidence	Minor: ponding < 1" some gulying / erosion	Yes <u>0</u> * No <u> </u>
		Significant: see Table 2	Yes <u> </u> * No <u>X</u>
	Embankment Slope Stability	excessive movement or surface cracks > than 1"	Yes <u> </u> * No <u>X</u>
	Gulying	on top	depth > 1" Yes <u> </u> * No <u>X</u>
		at embankment crest or on outslope	depth > 2" Yes <u> </u> * No <u>X</u>
		w/in normal flow channel in diversion channel	no gulying allowed Yes <u> </u> * No <u>X</u>
		w/in diversions at toe of impoundment outslope	no gulying allowed Yes <u> </u> * No <u>X</u>
		in diversion channel at any other location	NA NA
	Erosion Protection Stability	rock subsiding or missing	Yes <u> </u> * No <u>X</u>
	Seepage	no colored seepage allowed (red, blue, yellow w/ crystallization)	Yes <u> </u> * No <u>X</u>
Runoff Control System	Diversion Channel	rock in place, channel not moving, fence stable	Yes <u>X</u> * No <u> </u>
	Diversion Swales	rock in place, no silting in or head cutting	Yes <u>X</u> * No <u> </u>
	Excessive silt build up at fence lines in diversion channel	allowed if not effecting cover system	Yes <u>X</u> * No <u> </u>

* Mark all areas of concern or requiring repairs on attached site map.

Annual Site Inspection - Apex Site - Pond 2

Hecla Mining Company - Long-Term Maintenance and Monitoring Plan

Form 2 of 4 - Site Perimeter

Inspection Date: <u>6-17-06</u>	
Inspector: <u>D. J. [Signature]</u>	
Visible Outlying Areas	
Observed Condition:	<u>All Areas look good.</u>
Observed Damage:	<u>None</u>
May require repair: Yes <input type="checkbox"/> * No <input type="checkbox"/>	
Property Boundary Fence and Gate (walk fence line)	
Observed Condition:	<u>All Gates, Fences, and Signs are up and in good repair.</u>
Observed Damage:	<u>None</u>
Potential Corrective Actions:	<u>None</u>
May require repair: Yes <input type="checkbox"/> * No <input type="checkbox"/>	
All Upgradient Areas (areas that drain onto property)	
Observed Condition:	<u>Some ponding on South & West Side of Impoundment</u>
Observed Damage:	<u>None</u>
May require repair: Yes <input type="checkbox"/> * No <input type="checkbox"/>	

* Mark all areas of concern or requiring repairs on attached site map.

Annual Site Inspection - Apex Site - Pond 2

Hecla Mining Company - Long-Term Maintenance and Monitoring Plan

Form 3 of 4 - Impoundment

Inspection Date: <u>6-17-06</u> Inspector: <u>[Signature]</u>			
Outslopes			
Observed Performance:	Rock Cover Subsidence:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Excessive Slope Movement (failure):	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Gully Development:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Observable Leachate (colored):	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Excessive Siltation (at slope toe):	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
Observed Damage:			
Potential Corrective Actions:			
Top (top surface: soils)			
Observed Performance:	Cracking (>1" width):	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Settlement / Evidence of Ponding:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Erosion / Gullyng:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
Observed Damage:			
Potential Corrective Actions:			
Erosion Protection Layer (rock)			
Observed Performance:	Rock Staying in Place:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Rock Subsiding:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Missing Rock:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
Observed Damage: <u>None</u>			
Potential Corrective Actions: <u>None</u>			

* Mark all areas of concern or requiring repairs on attached site map.

Annual Site Inspection - Apex Site - Pond 2

Hecla Mining Company - Long-Term Maintenance and Monitoring Plan

Form 4 of 4 - Diversion Channel and Swales

Date: <u>6-17-06</u>			
Inspector: <u>[Signature]</u>			
Diversion Channel			
Observed Performance:	Erosion Protection in place:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Normal Flow Channel in place:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Encroaching on Site Fencing:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
Observed Damage: <u>None</u>			
Potential Corrective Actions: <u>None</u>			
Diversion Swales			
Observed Performance:	Erosion Protection in place:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Flow Channel Silting In:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
	Head Cutting:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	May require repair: Yes <input type="checkbox"/> * No <input checked="" type="checkbox"/>
Observed Damage: <u>None</u>			
Potential Corrective Actions: <u>None</u>			

* Mark all areas of concern or requiring repairs on attached site map.

WE had a lot of rain this past week. Some ponding was to be expected. No grass is growing where it was seeded.

Activity	2004 Budget	Revised Budget May 2004	Committed Cost this Period	Cumulative Committed Cost To Date 6-30-06	Forecasted Cost To Complete	Forecasted Final Cost	Remarks on Forecast to Complete
Phases I through III (Completed February 2006)							
Phase I - Drain Excess Liquid From Tailings	189,200	72,700		67,928	0	67,928	
Phases II, IIA + IIB - Evaporate Excess Liquid	6,000	8,000		242,882	0	242,882	
Phase III - Regrading & Final Cover System	337,000	342,050		504,742	0	504,742	
Field Indirect Costs	164,500	213,568		378,517	0	378,517	includes Jan + Feb 2006 long term monitoring costs
Hecia Costs	18,700	18,700	0	33,324	0	33,324	
Subtotal Phases I through III	715,400	655,018	0	1,227,393	0	1,227,393	
Long Term Monitoring (through FY 2010)							
Site Inspections			177	570	4,292	4,862	
Settlement Monitoring			0	2,025	8,100	10,125	
<u>Consultant Support:</u>							
Annual Geotechnical Engineer Inspections			0	2,495	18,100	20,595	includes settlement monitoring data analysis
Vegetation Monitoring				0	20,000	20,000	Allowance for surveys in FY 2007, 2009 and 2010
<u>Maintenance:</u>							
Erosion Repair Allowance				0	7,500	7,500	
Overseeding Allowance				0	9,920	9,920	
<u>Hecia Project Management Costs:</u>							
Labor			500	1,566	8,609	10,175	
Travel expenses			680	680	1,912	2,592	
Subtotal Long Term Monitoring	0	0	1,357	7,336	78,433	85,769	
Total Pond 2 Final Closure	715,400	655,018	1,357	1,234,729	78,433	1,313,162	

Eric
Johnson/ENF/R8/USEPA/US
08/17/2006 07:36 AM

To Amy Swanson/ENF/R8/USEPA/US@EPA
cc
bcc
Subject Fw: Apex - June 2006 Progress Report

----- Forwarded by Eric Johnson/ENF/R8/USEPA/US on 08/17/2006 07:36 AM -----



Paul Glader
<pglader@hecla-mining.com>
>
07/26/2006 11:46 AM

To Eric Johnson/ENF/R8/USEPA/US@EPA
cc john.jacus@dgsllaw.com
Subject Apex - June 2006 Progress Report

Eric

I am also mailing a copy to you. In the future, are you ok with an email copy only? I will continue to mail hardcopy to Rogers, Krause, Youngbear.

Paul

<<Apex Pond 2 - progress rpt 26 complete, june 2006.pdf>>



Apex Pond 2 - progress rpt 26 complete, june 2006.pdf